RESEARCH HIGHLIGHT

December 2008 Socio-economic Series 08-016

2001 Census Housing Series: Issue 12—Housing Conditions of Visible Minority Households in Canada

INTRODUCTION

The 12th Highlight of CMHC's 2001 Census Housing Series examines the housing conditions of visible minority households in Canada. A visible minority[1] household has a primary household maintainer[2] who identifies as a visible minority. Specific visible minority household groups studied in this highlight comprise people of Arab, Black, Chinese, Filipino, Korean, Japanese, Latin American, South Asian, Southeast Asian, and West Asian descent.[3] Multiple minority households refer to those households where the maintainer self-identified in more than one minority category. Households falling into the "multiple visible minorities" category are not included with any other minority category. Households with maintainers that are part of visible minority groups not included elsewhere are classified as "other visible minorities" Households that do not have a visible minority as their primary maintainer are referred to as non-visible minority households. Appendix Tables detailing housing characteristics and housing conditions for visible minority households for the provinces, territories and Census Metropolitan Areas can be found on the CMHC website at http://www.cmhc.ca/en/corp/about/cahoob/data/data_016.cfm.

VISIBLE MINORITIES ACCOUNT FOR ONE IN TEN HOUSEHOLDS IN CANADA

In 2001, almost 1.2 million (or 10.1%) of Canada's 11.6 million households were visible minority households. Certain visible minority households are more prevalent than others (*see* Table 1): Chinese (26.4%),

Table 1 Visible Minority Households in Canada, 2001

	Number of Households	Distribution of Visible Minority Households by Group (%)
Visible Minority Households	1,173,605	100.0%
Chinese	309,320	26.4%
South Asian	241,790	20.6%
Black	217,325	18.5%
Filipino	81,070	6.9%
Latin American	67,255	5.7%
Arab	60,455	5.2%
Southeast Asian	54,460	4.6%
West Asian	35,015	3.0%
Korean	30,535	2.6%
Japanese	26,980	2.3%
Multiple visible minorities	17,660	1.5%
Other visible minorities	31,745	2.7%

Source: Statistics Canada (Census of Canada)
Note: Components may not add to total due to rounding

[1] Visible minorities are defined by the federal *Employment Equity Act* as "persons, other than Aboriginal peoples, who are non-Caucasian in race or non-white in colour." *Employment Equity Act*, Section 3. Interpretation, 1995 http://laws.justice.gc.ca/en/e-5.401/238505.html

[2] The primary household maintainer refers to the first person in the household responsible for paying the rent or mortgage, property taxes, and electricity, fuel, water and other municipal services for the dwelling. If no person in the household is reported as being responsible for such payments, the household member indicated on the questionnaire as Person 1 is considered to be the only household maintainer.

[3] Refer to the definitions at the end of this highlight for Statistics Canada's definitions of visible minorities.

Canada

CMHC SCHL
HOME TO CANADIANS

South Asian (20.6%), and Black (18.5%). These three groups together accounted for almost two-thirds (65.5%) of visible minority households.

MOST VISIBLE MINORITY HOUSEHOLDS LIVE IN CANADA'S THREE LARGEST CENSUS METROPOLITAN AREAS

In 2001, over 95% of visible minority households lived in Canada's census metropolitan areas (CMAs)[4] compared to only 60.7% of all other households (*see* Table 2). Almost three quarters (72.7%) of visible minority households lived in Canada's three largest CMAs—Toronto (42.0%), Vancouver (17.9%) and Montreal (12.8%). Toronto itself is home to more than two-fifths of visible minority households in Canada, which is more than twice the proportion of any other CMA. Since Toronto acts as the principal entry point to Canada for immigrants from a wide range of countries, an increasing proportion of whom are visible minorities, Toronto has become Canada's most cosmopolitan city.

Due to the high concentration of visible minority households in CMAs, it is not surprising that more than 4 out of 5 visible minority households live in Ontario, British Columbia and Quebec. These three provinces contain the largest number of CMAs in Canada, where both visible minority households and all other households in general are most likely to reside.

While the CMAs of Toronto, Vancouver and Montreal are home to the largest number of visible minority households, such a ranking changes when considering visible minority households as a percentage of the total number of households in the CMA. Toronto and Vancouver have high percentages of households that have a visible minority maintainer (30.2% and 27.7%, respectively), followed by Calgary (13.2%), Edmonton (11.2%), Abbotsford (11.0%) and Ottawa-Gatineau (10.9%) (*see* Appendix Table 1, online at http://www.cmhc.ca/en/corp/about/cahoob/data/data_016.cfm). At 10.6%, Montreal ranked 7th among the CMAs.

Table 2 Visible minority households by province and selected CMAs, 2001

	All households (%)	Visible minority households (%)	Non- visible minority households (%)	Visible minority households as a % of all households (%)
Canada	100.0	100.0	100.0	10.1
Newfoundland and Labrador	1.6	0.1	1.8	0.7
Prince Edward Island	0.4	0.0	0.5	0.7
Nova Scotia	3.1	1.0	3.4	3.2
New Brunswick	2.5	0.3	2.7	1.1
Quebec	25.8	13.7	27.1	5.4
Ontario	36.5	53.3	34.6	14.8
Manitoba	3.7	2.2	3.9	6.0
Saskatchewan	3.3	0.7	3.6	2.2
Alberta	9.5	8.1	9.7	8.7
British Columbia	13.3	20.5	12.5	15.7
Yukon	0.1	0.0	0.1	2.5
Northwest Territories	0.1	0.0	0.1	3.7
Nunavut	0.1	0.0	0.1	1.5
Total – All CMAs	64.2	95.2	60.7	15.0
Montréal	12.3	12.8	12.2	10.6
Toronto	14.1	42.0	11.0	30.2
Vancouver	6.6	17.9	5.3	27.7

Source: Statistics Canada (Census of Canada)
Note: Components may not add to total due to rounding

[4] A Census Metropolitan Area (CMA) is an area consisting of one or more adjacent municipalities situated around a major urban core with a population of at least 100,000.

Visible minority groups are unevenly distributed throughout the country. In Vancouver, almost half of all visible minority households are Chinese (49%), whereas in Toronto South Asian households are the most common at 25.0%. In Montreal Black households are the largest group (31.7%).

Most visible minority households are immigrant-led households

In 2001, 87.0% of visible minority households were immigrant households[5], compared to only 14.1% of non-visible minority households (*see* Table 3). Only two visible minority groups (Black and Japanese households) did not report being at least 80% immigrant–led. One in five Black households reported being non-immigrant-led, as did just over three out of five Japanese households. At least 8 in 10 of all other visible minority households were immigrant-led, with more than 9 in 10 of all Asian households being immigrant-led. Household maintainers who had recently immigrated to Canada[6] were much more common among visible minority households than non-visible minority households (16.4% vs. 0.8% respectively).

Visible minority households make up an increasing share of immigrant households

Generally, the more recently an immigrant household arrived in Canada, the more likely it was to be a visible minority. Only 18.1% of immigrant households that arrived prior to 1976 were led by visible minorities, while 69.9% of recent immigrant households that arrived between 1996 and 2001 were visible minorities (*see* Figure 1). European nations such as the United Kingdom, Italy, Germany and the Netherlands were the primary sources of immigrants to Canada prior to 1976. More recently, immigrants are most likely to come from Asian countries.[7]

Table 3 Immigrant status of visible minority households, 2001

	All households	Non-immigrant	Non-permanent resident	Immigrant (by period of immigration)					
				Tota	Prior to 1976	1976-1985	1986-1990	1991-1995	1996-2001
	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
All Households	100.0	77.9	0.6	21.5	11.0	3.3	2.3	2.5	2.4
Visible Minority Households	100.0	9.7	3.3	87.0	19.6	18.2	14.8	17.9	16.4
Chinese	100.0	9.2	2.3	88.4	18.2	17.7	14.0	19.3	19.2
South Asian	100.0	4.7	2.3	93.0	24.3	16.7	14.0	18.7	19.3
Black	100.0	19.4	3.2	77.4	25.7	16.2	12.0	13.6	9.8
Filipino	100.0	3.9	0.8	95.2	18.9	19.2	16.2	24.6	16.4
Latin American	100.0	3.0	5.6	91.4	13.5	21.2	23.1	20.2	13.4
Arab	100.0	5.5	5.8	88.7	13.6	12.6	17.8	21.2	23.4
Southeast Asian	100.0	2.3	2.0	95.7	8.2	44.2	21.9	15.7	5.6
West Asian	100.0	1.2	4.0	94.9	4.2	13.1	21.7	22.2	33.7
Korean	100.0	5.2	13.7	81.1	16.9	14.2	10.1	13.3	26.5
Japanese	100.0	60.8	11.8	27.5	11.7	4.8	1.8	3.4	5.8
Multiple visible minorities	100.0	10.8	2.2	87.1	19.8	29.0	14.5	13.8	9.9
Other visible minorities	100.0	6.7	1.8	91.5	29.0	21.5	16.1	15.9	9.0
Non-visible minority households	100.0	85.6	0.3	14.1	10.1	1.6	0.8	0.8	0.8

Source: Statistics Canada (Census of Canada)
Note: Components may not add to total due to rounding

[5] Immigrant households are those households whose primary maintainers are immigrants (individuals who have been granted the right to live in Canada permanently by immigration authorities).

[6] Recent immigrant households are households whose primary maintainer arrived in Canada in the five years prior to the 2001 Census, or those arriving between 1996 and 2001. In the case of the 2001 Census, recent immigrants would have arrived between January 1996 and Census Day, May 15, 2001.

[7] The new pattern in immigration emerged partly as a result of national origin having been removed, in the 1960s, as a criterion for entry into Canada, and partly as a result of changes in the international movement of migrants. *Update on Cultural Diversity*, Canadian Social Trends, Statistics Canada, 2003, Catalogue number 11-008, Page 19.

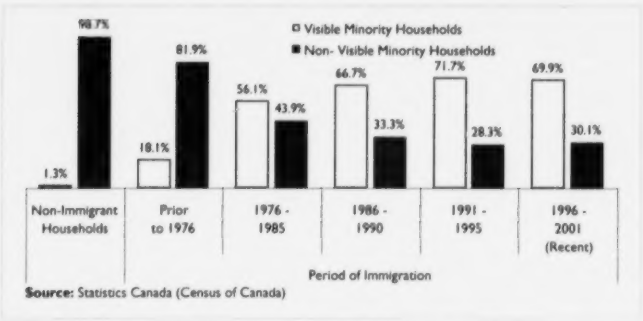


Figure 1: Distribution of Canadian Households by Immigrant Visible Minority Status, 2001

Visible minorities are more likely than non-visible minorities to live in family households

In 2001, 79.1% of visible minority households lived in family households compared to 69.6% of non-visible minority households (*see* Table 4). Family household types—and couples in particular—were the most common type of household for both groups.[8] Non-visible minority households (at 30.4%) were more likely to be non-family households than visible minority households (at 20.9%).

At 7%, a significant proportion of visible minority households chose to live as multiple-families, some six times the percentage of non-visible minority households that were comprised of multiple families (*see* Table 4). Immigrant households may choose to live in multiple-family units to help with housing affordability, to ensure that the household has the resources to obtain and keep a dwelling. Multiple-family households were particularly common among three visible minority groups—South Asian (12.2%), Filipino (9.6%) and Chinese (7.8%) —each of which have taken an increasing share of immigrant households since the start of the 1990s, raising the proportion that were multiple-families over time. In addition, multiple-family visible minority households were most commonly found among households with maintainers that immigrated to Canada between 1991 and 1995 (at 10.5%), indicating that the poorer economic conditions in Canada at the time of their arrival [9] may have increased the likelihood of these immigrants choosing this larger household arrangement.[10]

Table 4 Visible minority households by type of households

	Total	Family households				Non-family households
		Total	Couples	Lone parents	Multiple-families	
	(%)	(%)	(%)	(%)	(%)	(%)
All Households	11,562,975	70.5	58.5	10.2	1.8	29.5
Visible Minority Households	1,173,605	79.1	59.0	13.2	7.0	20.9
Chinese	309,320	81.3	65.0	8.5	7.8	18.7
South Asian	241,790	86.7	67.3	7.2	12.2	13.3
Black	217,325	69.8	39.7	26.7	3.4	30.2
Filipino	81,070	80.8	59.0	12.2	9.6	19.2
Latin American	67,255	78.2	55.5	18.7	4.0	21.8
Arab	60,455	76.8	64.9	9.2	2.6	23.2
Southeast Asian	54,460	82.4	59.1	16.3	7.0	17.6
West Asian	35,015	77.9	63.3	11.0	3.6	22.1
Korean	30,535	78.1	67.7	8.1	2.3	21.8
Japanese	26,980	61.8	53.1	7.8	0.8	38.2
Multiple visible minorities	17,660	77.4	56.9	13.7	6.8	22.6
Other visible minorities	31,745	78.1	56.4	16.0	5.7	21.9
Non-visible minority households	10,389,370	69.6	58.5	9.9	1.2	30.4

Source: Statistics Canada (Census of Canada)
Note: Components may not add to total due to rounding

[8] Immigrant households tended to form, or enter Canada as, couples or other families. According to research based on the *Longitudinal Survey of Immigrants to Canada* (LSIC), couples, with or without children, were the most frequently found household type in all the entry categories (Family, Skilled Workers, Other Economic and Refugees). Mendez, Hiebert, and Wyly, *Landing at Home: Insights on Immigration and Metropolitan Housing Markets from the Longitudinal Survey of Immigrants to Canada 2006, Figure 1.*

[9] See CMHC's *2001 Census Housing Series Issue 7 Revised: Immigrant Households* for more detail.

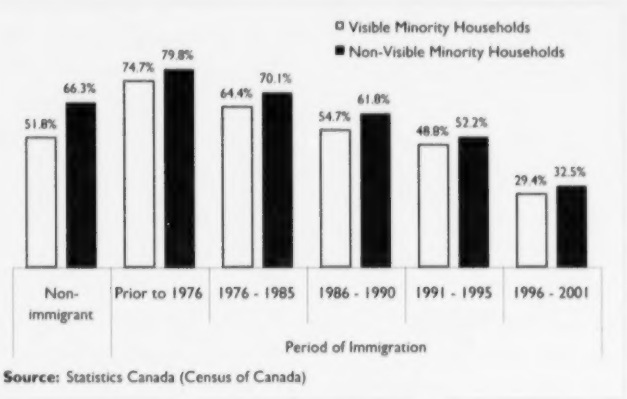
[10] See Mendez et al. 2006, also Heibert, Mendez, Wyly, *The Housing Situation and Need of Recent Immigrants in the Vancouver CMA*, CMHC, Ottawa, 2006.

Visible minority and non-visible minority households had similar proportions of couple family households (59.0% and 58.5%, respectively). However, there were some variations among the individual minority groups. For instance, Korean (67.7%), South Asian (67.3%), Chinese (65.0%) and Arab (64.9%) households had a higher proportion of couple households than the averages of all visible minority households and all Canadian households. In contrast, couple-family households were less frequent among Black (39.7%), Japanese (53.1%) and Latin American (55.5%) households.

Lone-parent families were more common among visible minority households (13.2%) than non-visible minority households (9.9%). Black households had the highest occurrence of lone-parent families, at 26.7% followed by Latin American households, at 18.7%. In contrast, South Asian households were the least likely to be lone-parent families at 7.2%, followed by Japanese households at 7.8%.

Visible minority households, on average, are less likely to own their homes

Just over one half (53.5%) of visible minority households owned their homes in 2001, compared to two-thirds (67.2%) of non-visible minority households. About two thirds (67.1%) of visible minority home owners had a mortgage, compared to 54 % of non-visible minority home owners (*see* Table 5). However, among visible minority groups home ownership rates vary widely. Households with Chinese and Japanese maintainers had the highest ownership rates (71.3% and 65.4% respectively), while Latin American and West Asian households had the lowest rates (33.2% and 35.0% respectively). Chinese and Japanese owners were also less likely to have a mortgage (51.1% and 44.8%, respectively) than the average Canadian homeowner (55.1%).



Source: Statistics Canada (Census of Canada)

Figure 2 Ownership Rates for Households in Canada by Period of Immigration, 2001

Homeownership levels relate in part to period of immigration

The homeownership rate among visible minority households increased with length of time lived in Canada (*see* Figure 2). Visible minority households that immigrated to Canada before1976 (at 74.7%) even had greater ownership rates than non-visible minority non-immigrant households (66.3%). For example, since Japanese households as a whole had resided in Canada for a longer period of time, 65.4% of Japanese households owned their home—a proportion similar to the Canadian average (65.8%). By comparison, nearly all (94.9%) West Asian households were immigrant-led. In addition, West Asian households were most likely (at 33.7%) to be recent-immigrant households. With so many immigrant households arriving only in the five years prior to the census, it is not surprising that West Asian households had an ownership rate of only 35.0%.

Table 5 Ownership rate by visible minority group

	Ownership rate (Highest to Lowest) (%)	% of Owner households with mortgages (%)
All Households	65.8	55.1
Visible minority households	53.5	67.1
Chinese	71.3	51.1
Japanese	65.4	44.8
South Asian	59.3	75.1
Multiple Visible Minorities	57.0	70.2
Other Visible Minorities	55.3	77.3
Filipino	52.4	83.6
Southeast Asian	51.3	75.6
Korean	41.1	68.5
Arab	36.7	71.5
Black	36.1	79.0
West Asian	35.0	80.2
Latin American	33.2	85.6
Non-visible minority households	67.2	54.0

Source: Statistics Canada (Census of Canada)

As shown in table 6, comparisons within different immigrant-led visible minority household groups reveals varying levels of homeownership rates. Ownership levels among Chinese immigrant households were the highest (73.2%), just as high as non-visible minority immigrant households (73.4%). In contrast, Latin American immigrant households, at 35.0%, had the lowest ownership rates.

While ownership rates are generally lower among recent-immigrant (1996—2001) visible minority households, three basic groups of ownership levels exist. The lowest ownership rates for recent-immigrant households are found among Black (12.3%), Arab (12.8%), West Asian (18.5%) and Latin American (19.8%) households. These four visible minority groups have ownership rates well below the average for all visible minority recent immigrant households (29.4%). Ownership rates for the majority of recent-immigrant visible minority groups hover around the average, including those of Filipino (27.4%), South Asian (28.6%), Southeast Asian (29.7%), Japanese (29.8%), Korean (29.9%), Multiple Visible Minorities (32.0%), and Other Visible Minorities (32.8%). In contrast, recently-immigrated Chinese households constitute a group on their own with 43.9% owning their home—well above average.

Housing Conditions

In this highlight, the term "acceptable housing" refers to housing that is in adequate physical condition and that is of suitable size and affordable for the household.

- Adequate dwellings are those reported by their residents as not requiring any major repairs,
- Suitable dwellings have enough bedrooms for the size and make-up of resident households according to National Occupancy Standard (NOS) requirements,[11] and
- Affordable dwellings cost[12] less than 30% of before-tax household income.

A household is said to be in core housing need if its housing falls below at least one of the adequacy, suitability, or affordability standards and it would have to spend 30% or more of its before-tax income to pay the median rent of alternative local housing that is acceptable (meets all three standards).

Table 6 Ownership rates of immigrant-led households by visible minority group and by grouped period of immigration, 2001

	Ownership Rates of Immigrant-led households			
	All Periods (%)	Prior to 1976 (%)	1976 - 1995 (%)	1996 - 2001 (%)
All Households	66.0	78.9	58.8	30.4
Visible Minority Households	55.3	74.7	56.1	29.4
Chinese	73.2	87.5	79.1	43.9
Japanese	65.9	82.4	67.5	29.8
South Asian	61.0	82.7	63.1	28.6
Other Visible Minorities	60.5	70.6	61.8	32.8
Multiple Visible Minorities	57.4	71.7	54.0	32.0
Filipino	53.6	76.5	53.6	27.4
Southeast Asian	52.4	75.4	51.7	29.7
Korean	47.7	72.2	49.2	29.9
Arab	37.4	69.2	40.3	12.8
Black	36.7	57.6	29.6	12.3
West Asian	36.3	64.6	44.7	18.5
Latin American	35.0	56.0	33.7	19.8
Non-visible minority households	73.4	79.8	63.6	32.5

Source: Statistics Canada (Census of Canada)

[11] According to the National Occupancy Standard, "enough bedrooms" means one bedroom for each cohabitating adult couple; unattached household member18 years of age and over; same-sex pair of children under age 18; and additional boy or girl in the family, unless there are two opposite sex children under 5 years of age, in which case they are expected to share a bedroom. A household of one individual can occupy a bachelor unit (that is, a unit with no bedroom).

[12] Shelter costs include the following:

- for renters: rent and any payments for electricity, fuel, water and other municipal services; and
- for owners: mortgage payments (principal and interest), property taxes, and any condominium fees, along with payments for electricity, fuel, water and other municipal services.

Below, household housing conditions are examined in detail, but not for all Canadian households. Shelter costs are not collected by the census for farm households, since carrying costs for farm residences are not always separable from expenses related to other farm structures; or for households on First Nations reserves whose housing costs are paid through band housing arrangements. Housing affordability cannot be assessed for these households. In addition, shelter-cost-to-income ratios (STIRs) for households with incomes less than or equal to zero, or STIRs derived from the census that are equal to or greater than 100% are considered uninterpretable by CMHC for the purpose of measuring affordability. Of the 11.6 million households identified in the 2001 Census, 10.8 million were non-farm, non-reserve households with interpretable shelter cost-to-income ratios (STIRs). The remainder of this highlight examines the housing conditions of these 10.8 million households and the 1.06 million of them that are maintained by visible minorities.

Visible minority households have higher average income and higher average shelter costs

Visible minority households on average, tended to have both higher household incomes and higher shelter costs than non-visible minority households. In 2001, visible minority households had an average household income of $61,840, 1.6% higher than the average income of non-visible minority households (*see* Table 7). However, within CMAs,[13] incomes of the visible minority households were about 7 per cent lower, at $61,837, than non-visible minority households, at $66,518. Visible minority households in Toronto and Montréal had incomes that were some 22% lower than non-visible minority households. In Vancouver, the difference was 10%.

In 2001, the average monthly shelter cost paid by a visible minority household was $949, which was 27.6% more than the non-visible minority average of $744 (*see* Table 7). In CMAs, the difference was about 16% ($955 versus $825). One of the reasons why visible minority households paid higher average shelter costs than non-visible minority households is that they have higher average household sizes (3.4 persons per household vs. 2.5). Since visible minority households living in CMAs paid higher shelter costs than non-visible minority households, but had lower incomes, the resulting shelter-cost-to-income rations (STIRs) were higher than the non-visible minority average STIR. In 2001, the average STIR for visible minority households in CMAs was 26.1% compared to 21.6% for non-visible minority households.

The average income varied significantly among different visible minority groups, as seen in table 8. In 2001, Japanese households had the highest average income of $73,720, 19.2% higher than the visible minority average ($61,840). With an average income of $50,114, Black visible minority households had the lowest household incomes.

Table 7 Average household income, shelter cost and STIRs, by visible minority status — Canada and Toronto, Montreal and Vancouver CMAs, 2001

		Average household income ($)	Average shelter cost ($)	Average STIR (%)
Canada	All households	60,976	764	21.3
	Visible minority households	61,840	949	25.9
	Non-visible minority households	60,882	744	20.8
All-CMA Total	All households	65,846	844	22.2
	Visible minority households	61,837	959	26.1
	Non-visible minority households	66,518	825	21.6
Toronto - CMA	All households	80,261	1,061	23.5
	Visible minority households	66,912	1,086	26.8
	Non-visible minority households	85,750	1,051	22.1
Montreal - CMA	All households	56,331	701	22.4
	Visible minority households	44,607	677	27.0
	Non-visible minority households	57,626	703	21.8
Vancouver - CMA	All households	66,747	956	24.2
	Visible minority households	61,728	998	26.8
	Non-visible minority households	68,540	941	23.3

Source: CMHC (Census-based housing indicators and data)

13 For information on other CMAs, please consult the Appendix Tables, available online at http://www.cmhc.ca/en/corp/about/cahoob/data/data_016.cfm.

Table 8 Average incomes, shelter costs and STIRs by visible minority households, 2001

	Average Income ($)	Average Shelter Cost ($)	Average STIR (%)
All Households	60,976	764	21.3
Visible minority households	61,840	949	25.9
Chinese	66,604	914	23.9
South Asian	70,057	1,084	25.6
Black	50,114	860	27.8
Filipino	66,875	992	22.5
Latin American	50,595	864	27.6
Arab	53,934	873	28.9
Southeast Asian	59,012	890	25.4
West Asian	51,799	1,030	33.2
Korean	56,455	1,072	32.2
Japanese	73,720	853	20.7
Multiple visible minorities	65,559	970	24.9
Other visible minorities	64,414	1,042	26.1
Non-visible minority households	60,882	744	20.8

Note: Income data collected by the Census of Canada refers to the calendar year preceding the census, while shelter cost data gives expenses for the Census year.
Source: CMHC (Census-based housing indicators and data)

Among visible minority households there is also considerable variation in the amount of household income used to pay for shelter. Japanese households—the least immigrant-led of the visible minority groups—had the highest average income and lowest average STIR among visible minority households. With a STIR of 20.7%, in 2001, Japanese households were the only visible minority group with a STIR lower than the average for all Canadian households. In contrast, West Asian households—which were among the three visible minority groups most likely to be immigrant-led in general, and recent immigrant-led in particular—had the highest STIR (33.2%) as a result of having one of the lowest average incomes (at $51,799) and one of highest average shelter costs (at $1,030).

Visible minority households are more likely to live below housing standards

Visible minority households were over one-and-a-half times more likely than their non-visible minority counterparts to spend more than the affordability norm of 30% of household income on housing and almost six times more likely to live in crowded dwellings. About the same proportion of visible minority and non-visible minority households lived in dwellings that needed major repairs, that is, falling below the adequacy standard (*see* Table 9).

Table 9 Per cent of visible minority households below housing standards

	Below affordability standard (%)	Below suitability standard (%)	Below adequacy standard (%)
All households	20.2	6.1	7.8
Visible minority households	29.5	23.6	7.4
Chinese	26.8	18.1	6.5
South Asian	29.6	27.8	5.8
Black	32.6	20.9	10.2
Filipino	19.4	34.0	7.8
Latin American	31.3	25.7	9.6
Arab	36.1	27.1	6.7
Southeast Asian	28.3	28.8	7.0
West Asian	45.1	32.5	7.8
Korean	44.1	25.0	5.5
Japanese	19.7	5.7	6.8
Multiple visible minorities	27.0	22.9	8.3
Other visible minorities	29.3	21.9	8.1
Non-visible minority households	19.1	4.1	7.9

Source: CMHC (Census-based housing indicators and data)

As with households in general, of the three household standards, finding affordable housing was the most frequent challenge faced by visible minority households. Almost 3 out of 10 visible minority households (29.5%) paid at least 30% of their total household income for shelter, compared to 19.1% of non-visible minority households. The incidence of households falling below the affordability standard varied among different visible minority groups. Filipino households, at 19.4%, and Japanese households, at 19.7%, were the least likely to fall below the affordability standard. West Asian households, at 45.1%, and Korean households, at 44.1%—both with lower incomes and more likely to be recent-immigrant-led—were the most likely to fall below the affordability standard.

As discussed earlier, visible minority households live almost entirely in CMAs (95.2%, as shown in Table 2). With higher shelter costs in CMAs and relatively lower incomes (*see* Table 7) it is not surprising that higher proportions of visible minority households live in dwellings for which they pay 30% or more of their household income.

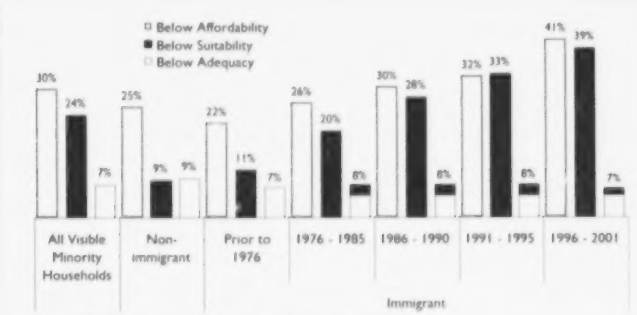
Visible minority households had a relatively high incidence (23.6%) of living below the suitability standard (in crowded housing), nearly six times that of non-visible minority households (at 4.1%). Visible minority groups varied widely in their likelihood of living in crowded housing. At 34.0%, Filipino households were the most likely to live below the suitability standard, while 5.7% of Japanese households lived in crowded dwellings.

Only 7.4% of visible minority households lived in dwellings below the adequacy standard, slightly lower than the 7.9% for non-visible minority households. There were four visible minority groups, however, that had proportions of households below the adequacy standard that were notably different from the visible minority household average. Black and Latin American households were relatively more likely to live in housing needing major repairs (at 10.2% and 9.6%). In contrast, Korean (at 5.5% needing major repairs) and South Asian (at 5.8%) households were less likely to do so than non-visible minority households.

Visible minority households that immigrated more recently are more likely to live below housing standards.

The *Research Highlight* "2001 Census Housing Series: Issue 7 Immigrant Households" mentioned that higher percentages of immigrant households live below the affordability and suitability standards than non-immigrant households. That highlight showed that the more recently an immigrant household, the poorer its housing conditions were likely to be. Given the comparatively high proportion of visible minority households maintained by recent immigrants (*see* Table 3), higher rates of crowded and unaffordable housing among visible minority households are not surprising. For example, West Asian and Korean households, the two visible minority groups with the highest rates of recent immigration, also had the highest likelihoods of falling below the affordability standard (at 45%, and 44%, respectively; *see* Table 9).

Affordability and crowding challenges tended to decline the longer an immigrant visible minority household has lived in Canada (*see* Figure 3), eventually resembling those experienced by non-immigrant visible minority households. For example, among Japanese households, relatively few of which were maintained by recent immigrants, 19.7% paid 30% or more than of their income on shelter and just 5.7% lived in crowded conditions.



Source: CMHC (Census-based housing indicators and data)

Figure 3 Percent of Visible Minority Households Living Below Housing Standards by Period of Immigration, 2001

Some visible minority households live in crowded housing to improve housing affordability

As discussed above, visible minority households were more likely than non-visible minority households to form family households, and multiple-family households in particular. Visible minority family households that lived in multiple-family arrangements were almost always immigrant-led (at 96.6%) and took the opportunity to pool resources from other members of the family to obtain the financial resources to afford a dwelling. While almost half of these larger multiple-family households were crowded (47.2%), only half as many paid above the 30% affordability norm for housing (16.2%), compared to visible minority households in general (at 29.5%).

Thus, some multiple-family visible minority households appeared to be choosing to live in larger extended family groups in crowded dwellings in order to use their joint finances to pay the higher shelter costs found in the urban centres where they live. For example, almost entirely immigrant-led (at 95.2%, *see* Table 3) Filipino households with a relatively high proportion of multiple-family households (9.6% *see* Table 4), had a relatively low incidence of unaffordable conditions (at 19.4%, similar to non-visible minority households), but experienced significant levels of crowding (at 34.0%).

Visible minority households are almost twice as likely to be in core housing need

In 2001, 24.1% of visible minority households were in core housing need, compared to 12.6% of non-visible minority households (*see* Table 10). However, certain visible minority groups were much more susceptible to being in core housing need than others. At 38.0%, West Asian households had the highest incidence level of core need among visible minority households. Korean households were second at 32.5%, followed by Arab households at 30.3%, and Black households at 29.3%. At 11.7%, Japanese households were the only visible minority group to have an incidence of core housing need that was lower than that of non-visible minority households.

Households led by visible minorities tended to have higher proportions in core need with affordability problems or crowding (suitability) problems than non-visible minority households (*see* Table 10). At 19.6%, visible minority households were far more likely to be in core housing need and below the affordability standard than non-visible minority households (11.5%). However, the percentages varied considerably among visible minority household groups, from highs of 32.6% and 29.4% for West Asian and Korean households, respectively, to a low of 10.3% for Japanese-led households.

With respect to suitability, visible minority households were eight times as likely to be living in crowded conditions and core housing need (at 9.7%) as that of non-visible minority households (at 1.2%). Again, however, the percentages varied dramatically among minority household groups from the seldom-crowded Japanese households (1.8%), to the more often crowded West Asian households (18.3%). Four groups were in core housing need and crowded slightly less often than the average for all visible minorities: Chinese households (7.0%); Filipino households (8.6%); households with maintainers who identified with more than one visible minority group (7.7%); and other visible minority households (8.6%).

Some visible minority groups in core housing need with relatively high levels of crowding also often had higher incidences of affordability problems. Such is the case of West Asian households where 18.3% had crowding problems and 32.6% had affordability need. These groups tended to be composed of relatively high proportions of recent immigrant households living in Canada's largest and most expensive CMAs. For example, as seen in table 3, a third (33.7%) of West Asian households were recent-immigrant households, with 70% of them living in Toronto and Vancouver, the two CMAs with Canada's highest shelter costs (*see* Table 7).

Table 10 Households by core housing need status and housing standards

	All households	Households living below standards and unable to afford acceptable alternative dwellings (in core housing need)				
		Total		Below affordability standard	Below suitability standard	Below adequacy standard
	(#)	(#)	(%)	(%)	(%)	(%)
All households	10,805,615	1,485,335	13.7	12.3	2.0	2.1
Visible minority households	1,064,310	256,055	24.1	19.6	9.7	2.8
Chinese	277,985	57,640	20.7	17.3	7.0	2.2
South Asian	225,085	51,395	22.8	18.1	11.4	2.3
Black	197,640	57,940	29.3	23.6	10.5	4.6
Filipino	76,795	12,700	16.5	11.8	8.6	2.0
Latin American	60,790	16,800	27.6	22.8	10.6	3.6
Arab	52,745	15,990	30.3	25.9	13.2	2.5
Southeast Asian	50,290	12,075	24.0	19.5	10.9	2.2
West Asian	29,980	11,390	38.0	32.6	18.3	3.7
Korean	22,985	7,470	32.5	29.4	11.3	2.5
Japanese	24,215	2,840	11.7	10.3	1.8	1.5
Multiple visible minorities	16,470	3,275	19.9	16.5	7.7	2.5
Other visible minorities	29,335	6,545	22.3	18.2	8.6	3.1
Non-visible minority households	9,741,305	1,229,280	12.6	11.5	1.2	2.0

Source: CMHC (Census-based housing indicators and data)

Slightly higher incomes for visible minority households in core need

Visible minority households living in core housing need had, on average, total annual before-tax household incomes of $22,944, 40.8% higher than the average income of $16,292 for non-visible minority household in core housing need (*see* Table 11). Among visible minority households in need, South Asian households had the highest average income, at $25,835. Japanese households in core housing need had the lowest average income, at $19,069.

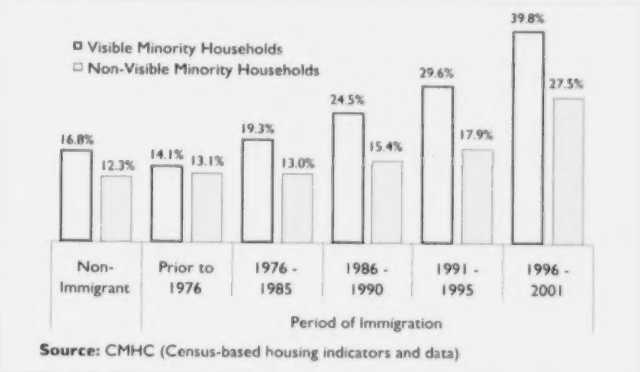
Visible minority households in core housing need reported paying higher shelter costs than their counterpart non-visible minority households. The average shelter cost for visible minority households in need was $808 per month, 33 per cent higher, than the $609 for all non visible minority households in need.

These income and shelter cost differences in part reflect the concentration of visible minorities in Canada's largest urban centres where incomes and housing costs both tend to be relatively high (*see* Table 7 and Appendix Table 4, online at http://www.cmhc.ca/en/corp/about/cahoob/ data/data_016.cfm). In addition, the higher shelter costs of visible minority households may be associated with the relatively large size of visible minority owner households and a consequent need for larger dwellings.[14]

Levels of core housing need related to period of immigration

The difference in the incidence of core need between visible minority (24.1%) and non-visible minority (12.6%) households is consistent with the higher proportion of visible minority households that were more recent immigrants. Among visible minority households, 16.4% were recent immigrant-led, compared to only 0.8% of non-visible minority households. Levels of core housing need fall gradually for both visible and non-visible minority households the longer the maintainer has lived in Canada (*see* Figure 4).

In addition to the incidence of core housing need dropping, the longer a household maintainer has been in Canada, the smaller the gap between visible and non-visible minorities. Visible minority households that arrived between 1996 and 2001 had a much higher rate of core housing need, at 39.8%, than non-visible minority households that immigrated in the same period (27.5%). In contrast, visible and non-visible minority immigrant households that arrived prior to 1976 had fairly similar incidences of core housing need in 2001 (14.1% for visible minority households compared to 13.1% for non-visible minority households).



Source: CMHC (Census-based housing indicators and data)

Figure 4 Incidence of Core Housing need for Households in Canada by Period of Immigration, 2001

Non-immigrant visible minority households have a higher level of core housing need (16.8%) than visible minority households with an immigrant maintainer arriving prior to 1976 (14.1%). Some of the improvements in housing conditions with the increasing length of time spent in Canada may also be due to the aging of the household maintainer. Older immigrant household maintainers are more likely to be in mid-career with relatively high incomes and be acceptably housed than the younger maintainers more frequently found among non-immigrant households.

[14] Dwellings owned by visible minority households, on average, had 3.4 bedrooms in 2001, compared to non-visible minority-owned dwellings which had an average of 3.1 bedrooms.

Table 11 Average income, shelter cost and Shelter-Cost-to-Income Ratio (STIR) by core housing need status

	Households living in or able to access acceptable housing			Households in core housing need		
	Average Income ($)	Average Shelter Cost ($)	Average STIR (%)	Average Income ($)	Average Shelter Cost ($)	Average STIR (%)
All households	67,914	784	17.0	17,439	643	48.0
Visible minority households	74,162	994	19.3	22,944	808	46.6
Chinese	77,941	930	17.7	23,269	857	47.6
South Asian	83,143	1,139	19.7	25,835	898	45.7
Black	62,253	926	20.5	20,850	701	45.5
Filipino	75,181	1,035	18.6	24,949	779	42.2
Latin American	61,751	917	20.5	21,376	725	46.3
Arab	68,502	930	20.2	20,450	742	48.7
Southeast Asian	70,871	933	18.8	21,476	752	46.3
West Asian	69,209	1,116	22.6	23,390	891	50.4
Korean	72,032	1,115	22.8	24,092	983	51.6
Japanese	80,981	872	16.9	19,069	715	48.9
Multiple visible minorities	76,218	1,013	19.3	22,585	800	47.7
Other visible minorities	75,833	1,096	20.3	24,627	856	46.0
Non-visible minority households	67,321	764	16.8	16,292	609	48.3

Source: CMHC (Census-based housing indicators and data)

Other household characteristics are also associated with higher incidences of core housing need

CMHC's publications exploring core housing need demonstrate that the likelihood of households to be in core housing need is strongly related to certain household characteristics.[15] For example, lone-parent and non-family households, with their generally lower incomes, tend to live in poorer conditions than couples and multiple-family households. Similarly, renters more frequently live in core housing need than owners. In sum, lone parent, non-family and renter households tend to have higher levels of housing need regardless of their visible minority or immigrant household status, though the visible minority and immigrant status of the maintainer tends to amplify the effect.

For instance, higher proportions of Black households are lone parent (26.7%) and non-family (30.2%) households compared to all visible minority households (at 13.2% and 20.9%, respectively) (*see* Table 4). Black households had the lowest average household income ($50,114) among all the visible minority groups (*see* table 8), and a much lower ownership rate (36.1%) than visible minority households in general (53.5%) (*see* Table 5). Thus, even though Black visible minority households, at 77.4%, had a smaller proportion of immigrant maintainers than the average (87.0%) (*see* Table 3), they still had a higher than average incidence of core housing need (29.3%, compared to 24.1% for all visible minority households)—(*see* Table 10).

[15] For more information on the relationship of core housing need to the socio-economic characteristics of households, please consult CMHC's *Canadian Housing Observer*, as well as CMHC's 2001 Census Housing Series of Socio-economic *Research Highlights*.

SUMMARY

In 2001, the 1,173,605 visible minority households in Canada made up 10.1% of households in Canada. Nearly all (95.2%) visible minority households lived in Canada's largest cities, the Census Metropolitan Areas. The vast majority (87.0%) of these households were immigrant-led, with a very sizeable portion (16.4%) being led by recent immigrant maintainers; that is, those who arrived in Canada in the five years prior to the 2001 Census.

Visible minorities were more likely than non-visible minorities to live as family households, with many more living in multiple-family households (7.0%), than was the case for non-visible minority households (1.2%). Visible minority households were less likely to be owners (53.5%) than their non-visible minority counterparts (67.2%), and more likely to carry mortgages when they do own.

Though visible minority households reported higher levels of income, on average, they also lived in Canada's most expensive cities and so reported higher shelter costs than non-visible minority households. As a result, higher proportions of visible minority households paid 30%

or more of household income on housing than non-visible minority households. Visible minorities were also much more likely to live in crowded conditions than non-visible minorities. Although finding affordable and suitable housing appear to be a challenge, visible minority households, like their non-visible minority counterparts, for the most part lived in adequate dwellings, that is, only 7.4% and 7.9%, respectively lived in dwellings needing major repairs in 2001.

More housing affordability and crowding problems led to visible minority households experiencing core housing need nearly twice as often as non-visible minority households (24.1% compared to 12.6%). Some 9.7% of visible minority households experienced core housing need and crowded living conditions and 19.6% were in core housing need and below the affordability standard, compared to 1.2% and 11.5%, respectively, of non-visible minority households. While the higher levels of need were, in part, related to their visible minority status, this highlight has shown that these differences were also associated with their concentration in Canada's largest cities, as well as other key household characteristics such as recent immigrant status, household type and tenure.

DEFINITIONS

Households refer to all private households. People living in collective dwellings are excluded by definition (see Statistics Canada, *2001 Census Dictionary*, Cat. no. 92-378-XIE, pages 190-193).

A **visible minority household** has a primary household maintainer who identifies as a visible minority. Specific visible minority household groups studied in this highlight are:

- Arab (for example, Egyptian, Lebanese, Moroccan);
- Black (for example, African, Haitian, Jamaican, Somali);
- Chinese;
- Filipino;
- Korean;
- Japanese;
- Latin American;
- South Asian (for example, East Indian, Pakistani, Punjabi, Sri Lankan);
- Southeast Asian (for example, Cambodian, Indonesian, Laotian, Vietnamese);
- West Asian (for example, Afghan, Armenian, Iranian);
- Multiple minority households; and
- Other visible minorities include people identifying as, for example, Guyanese, Mauritian, or a Pacific Islander group, for example, Fijian or Polynesian.

When discussing **core housing need**, household data exclude farm, band, and reserve households (for which shelter costs are not collected by the census); households with incomes of zero or less; and households whose shelter costs equal or exceed their incomes.

Shelter costs include the following: for renters, rent and any payments for electricity, fuel, water and other municipal services; and for owners, mortgage payments (principal and interest), property taxes, and any condominium fees, along with payments for electricity, fuel, water and other municipal services.

Income data collected by the Census of Canada refers to the calendar year preceding the census, while shelter-cost data refers to expenses being paid in the year of the Census. Shelter-cost-to-income ratios are computed directly from this data, that is, by comparing shelter costs in the year of the census to incomes from the previous year.

Canadian households are considered to be in **core housing need** if they do not live in and could not access acceptable housing. The term **"acceptable housing"** refers to housing that is affordable, in adequate condition, and of suitable size.

- Adequate dwellings are those reported by their residents as not requiring any major repairs.
- Suitable dwellings are not crowded, meaning that they have enough bedrooms for the size and make-up of resident households, according to National Occupancy Standard (NOS) requirements.
- Affordable dwellings cost less than 30% of before-tax household income.

According to the **National Occupancy Standard** enough bedrooms means one bedroom for each cohabitating adult couple; unattached household member 18 years of age and over; same-sex pair of children under age 18; and additional boy or girl in the family, unless there are two opposite sex children under 5 years of age, in which case they are expected to share a bedroom. A household of one individual can occupy a bachelor unit (i.e. a unit with no bedroom).

BIBLIOGRAPHY

Bailie, Lorna and Denis, Johanne. *Statistics Canada's Data Sources on Immigrants and Immigrant Families*, Canadian Issues, PP 21-33, Association for Canadian Studies, Spring 2006.

Canada Mortgage and Housing Corporation. *Residential Integration of youth with Immigrant Backgrounds in Montréal*, Research Highlights, Socio-economic Series 03-018, Canada Mortgage and Housing Corporation, Ottawa, December, 2003.

Employment Equity Act, Section 3. Interpretation, 1995.

Haan, Michael. *The Homeownership Hierarchies of Canada and the United States: The Housing Patterns of White and Non-White Immigrants of the Past Thirty Years*, International Migration Review: IMR, 2007.

Heibert, Daniel; Mendez, Pablo and Wlyly, Elvin. *The Housing Situation and Need of Recent Immigrants in the Vancouver CMA*, Canada Mortgage and Housing Corporation, Ottawa, 2006.

Hou, Feng. *Recent Immigration and the Formation of Visible Minority Neighbourhoods in Canada's Large Cities*, Statistics Canada, Ottawa, 2004.

Jakubec, Lance, *2001 Census Housing Series Issue 7 Revised: Immigrant Households*, Canada Mortgage and Housing Corporation, Ottawa, December, 2004.

Authors: Jeremiah Prentice with the assistance of Lucy Askham and John Engeland
Policy and Research Division,
Canada Mortgage and Housing Corporation

Housing Research at CMHC

Under Part IX of the ***National Housing Act***, the Government of Canada provides funds to CMHC to conduct research into the social, economic and technical aspects of housing and related fields, and to undertake the publishing and distribution of the results of this research.

This fact sheet is one of a series intended to inform you of the nature and scope of CMHC's research.

To find more ***Research Highlights*** plus a wide variety of information products, visit our website at

www.cmhc.ca

or contact:

Canada Mortgage and Housing Corporation
700 Montreal Road
Ottawa, Ontario
K1A 0P7

Phone: 1-800-668-2642
Fax: 1-800-245-9274

©2008, Canada Mortgage and Housing Corporation
Printed in Canada
Produced by CMHC 09-12-08

Although this information product reflects housing experts' current knowledge, it is provided for general information purposes only. Any reliance or action taken based on the information, materials and techniques described are the responsibility of the user. Readers are advised to consult appropriate professional resources to determine what is safe and suitable in their particular case. Canada Mortgage and Housing Corporation assumes no responsibility for any consequence arising from use of the information, materials and techniques described.

66141